



**STATEMENT OF PROCEEDINGS  
FOR THE SPECIAL MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012**

**Thursday, October 25, 2012**

**10:30 AM**

AUDIO LINK FOR THE ENTIRE MEETING. (12-4986)

**Attachments:**    [AUDIO](#)

Present:            Chair Genie Chough, Vice Chair Dorinne Jordan and  
                         Member Allen Gomez

Excused:           Member Louisa Ollague, Member Carl Gallucci and  
                         Member Lori Glasgow

Call to Order. (12-3999)

**The meeting was called to order by Chair Genie Chough at 10:36 a.m.**

**I. ADMINISTRATIVE MATTERS**

1. Approval of the August 16, 2012 meeting minutes. (12-4005)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

2. Recommendation to revise the Audit Committee Fact Sheet to reflect a change in the meeting schedule from the Third Thursday of each month to the Fourth Thursday of each month. (12-4767)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was approved.**

**II. BOARD POLICIES**

3. Recommendation to approve proposed Board Policy entitled, County Filming Policy, for submission to the Board of Supervisors for final action (9/24/12). (12-4579)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

4. Recommendation to approve revisions to Board Policy No. 4.030 - Budget Policies and Priorities and extend the sunset review date to December 17, 2016 (9/26/12). (12-4754)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

5. Recommendation to approve revisions to Board Policy No. 5.040 - Contractor Performance Evaluation and extend the sunset review date to December 14, 2016 (10/04/12). (12-4757)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

6. Recommendation to approve revisions to Board Policy No. 3.010 - Workplace Charitable Giving Standard and extend the sunset review date to January 16, 2018 (10/09/12). (12-4764)

**Eddie Washington, Chief Executive Office, provided an updated version of the policy that reflected slight reductions in the threshold amounts and indicated the changes were made as a result of economic times.**

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

7. Recommendation to approve revisions to Board Policy No. 5.150 - Oversight of Information Technology Contractors and extend the sunset review date to December 31, 2016 (10/18/12). (12-4855)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

8. Recommendation to approve substantive changes to Board Policy No. 6.020 - Chief Information Office Board Letter Approval and extend the sunset review date to December 31, 2016, for submission to the Board of Supervisors for final action (10/18/12). (12-4890)

**Genie Chough recommended that this item be referred to the Operations Cluster for review before it is approved by the Audit Committee.**

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

### **III. OLD BUSINESS**

9. Review of the Office of the Assessor's Compliance with Board Information Technology and Security Policies (4/13/12) (Continued from meetings of 4/19/12, 5/17/12, 7/19/12 and 8/16/12). (12-1646)

**Robert Campbell, Auditor-Controller, reported that the field work was completed for the comprehensive fiscal review of the Office of the Assessor and the report will be presented at the next Audit Committee meeting. Mr. Campbell also advised that findings from a follow-up of the 2011 payroll and personnel review concluded that recommendations were not implemented by the Department. A single document, comprised of all the recommendations provided to the Department, will be generated to centrally track their implementation.**

**Jim Schneiderman, Auditor-Controller, reported that the following audits are being conducted for the Office of the Assessor:**

- 1. Management Review**
- 2. Fiscal Review / Comprehensive Audit**
- 3. Secured Property Tax System**
- 4. Unsecured Property Tax System**
- 5. Properties with decline in value, as ordered by the Board**

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**Dorinne Jordan asked Auditor-Controller staff to provide a timeline for completion of the Audits and requested that a follow-up of the Information Technology audit be completed. Ms. Jordan also suggested that Santos Kreimann, Chief Deputy Assessor, be present at a future Audit Committee meeting to provide a status update on the implementation of the recommendations.**

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

- 10.**    Revising the Living Wage Rate Calculation Methodology (7/10/12) (Continued from meeting of 8/16/12). (12-3753)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

- 11.**    Countywide Utility User Tax Expenditure Audit Report as of June 30, 2011 (7/19/12) (Continued from meeting of 8/16/12). (12-3673)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

#### **IV. REPORTS**

- 12.**    District Attorney's Asset Forfeiture Fund (8/13/12). (12-3882)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

- 13.**    AIDS Healthcare Foundation, Inc. - A Department of Public Health HIV/AIDS care and Prevention Service Contract Provider (8/16/12). (12-3883)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

14. Proposition A Contract Review - Probation Department Clerical Services at Field Area Offices (Board Agenda August 21, 2012, Item 35) (8/17/12). (12-3910)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments:    [SUPPORTING DOCUMENT](#)

15. Allegations of Overbilling by Sodexo Operations, LLC for Dietary Services at Rancho Los Amigos National Rehabilitation Center (8/23/12). (12-4038)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments:    [SUPPORTING DOCUMENT](#)

16. East Los Angeles Women's Center - A Department of Public Social Services Domestic Violence Supportive Services Program Provider - Contract Compliance Review - Fiscal Years 2010-11 and 2011-12 (9/13/12). (12-4418)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments:    [SUPPORTING DOCUMENT](#)

17. Semi-Annual Fraud Hotline Status Report - January 1, 2012 through June 30, 2012 (9/14/12). (12-4419)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments:    [SUPPORTING DOCUMENT](#)

18. Community and Senior Services - Reviews of Workforce Investment Act (WIA) Service Providers - Fiscal Year 2009-10 Summary Report (9/14/12). (12-4420)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments:    [SUPPORTING DOCUMENT](#)

19. Department of Regional Planning - Review of Cash Handling, Trust Funds, and Accounts Payable (9/14/12). (12-4422)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

20. Annual Reporting Requirements for Foundations and Support Groups (9/24/12). (12-4511)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

21. Review of County Food Service Contracts (9/28/12). (12-4643)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

22. Report of Treasurer And Tax Collector's Cash Difference Fund Replenishments For The Fiscal Year Ended June 30, 2012 (10/03/12). (12-4656)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

23. Sheriff's Department - Review of Maritime Operations (Board Agenda Items 2 and 34, April 3, 2012) (10/04/12). (12-4763)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

24. ENKI Health and Research Systems, Inc. - A Department of Mental Health Contract Service Provider - Contract Compliance Review - Fiscal Years 2009-10 and 2010-11 (10/05/12). (12-4733)

**Genie Chough questioned whether sufficient checks and controls are in place by the Department of Mental Health (DMH) to deter unnecessary expenses prior to review by the Auditor-Controller.**

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**Elaine Boyd, Auditor-Controller, reported that the department can utilize cost reports and internal audits as tools to identify possible unnecessary expenses.**

**Jim Schneiderman, Auditor-Controller, stated that reviews conducted by the Auditor-Controller reflect a higher level of detail that DMH may not have experience in.**

**Robert Campbell, Auditor-Controller, reported that findings from a review conducted by the California State Auditor, for DMH's programs and funds, may help in re-evaluating measures to deter unnecessary expenses.**

**On motion of Genie Chough, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

- 25.**    South Bay Family Health Care - A Department of Public Health HIV/AIDS Prevention and Care Service Provider - Contract Compliance Review (10/05/12). (12-4737)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

- 26.**    To Help Everyone Clinic, Inc. - A Department of Public Health HIV/AIDS Care and Prevention Service Provider - Contract Compliance Review (10/05/12). (12-4738)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

- 27.**    WomenShelter of Long Beach - A Department of Public Social Services Domestic Violence Supportive Services Program Provider - Contract Compliance Review - Fiscal Years 2010-11 and 2011-12 (10/05/12). (12-4750)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

28. Department of Public Social Services - State Mandated Financial and Compliance Audits of Program Contracts - Fiscal Years 2009-10 through 2011-12 (10/09/12). (12-4732)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

29. Department of Children and Family Services Youth Development Services Division - Phase II Report (Board Agenda Item 51-B, June 14, 2011) (10/09/12). (12-4889)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

30. Alleged Aero Bureau Improprieties (Board Agenda April 3, 2012, Item 2) - Phase I Report (10/10/12). (12-4784)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

31. Treasurer's August 7, 2012 Cash Count (10/11/12). (12-4793)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

32. Proposed Fiscal Year 2012-2013 Audit Plan (10/16/12). (12-4852)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

33. Proposition A Contract - Department of Health Services Housekeeping Services Agreement for Facilities in Groups 1 and 3 (Board Agenda Item 16, October 23, 2012) (10/18/12). (12-4918)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)



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**V. DISCUSSIONS ITEMS**

34. Review and discussion of Committees and Commissions that do not require a sunset review date. (12-3918)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was continued to the next meeting.**

35. Community and Senior Services monitoring update. (12-4835)

**On motion of Dorinne Jordan, seconded by Allen Gomez, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

36. Pending Audits/Monitoring Reports. (12-4794)

**There were no matters discussed on this item.**

37. Fiscal Year 2012-2013 Cash Flow Projection (10/18/12). (12-4917)

**Connie Yee, Auditor-Controller, stated that a conservative cash balance of \$512 million, projected for Fiscal Year 2012-2013, was reported to the Board of Supervisors on October 3, 2012 and monitoring of the cash flow will be conducted on a monthly basis. Ms. Yee also reported that work is being conducted in conjunction with the Department of Health Services to determine cash flow needs for the Department.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

**VI. MISCELLANEOUS**

38. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (12-4006)

- 38A. Status update by the Office of the Assessor, on the implementation of recommendations related to compliance with Board Information Technology and Security Policies.

**INTRODUCED FOR DISCUSSION AND PLACED ON THE NEXT MEETING AGENDA. (12-5226)**

- 38B. Closed session item relating to possible litigation as requested by Jim Schneiderman, Auditor-Controller.

**INTRODUCED FOR DISCUSSION AND PLACED ON THE NEXT MEETING AGENDA. (12-5227)**

**39. Public Comment. (12-4007)**

**No member of the public addressed the Committee.**

**40. Adjournment. (12-4008)**

**The meeting scheduled for November 22, 2012 was cancelled. A special meeting was schedule for December 20, 2012.**

**There being no further business to discuss, the meeting adjourned at 11:07 a.m.**